



Federal Accounting Standards Advisory Board

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**Definitional Changes Related to Deferred Maintenance and Repairs:  
Amending Statement of Federal Financial Accounting Standards 6,  
Accounting for Property, Plant, and Equipment.**

**Statement of Federal Financial Accounting Standards**

**Exposure Draft**

**Written comments are requested by June 25, 2010**

# Current FASAB Definition of Maintenance (SFFAS 6, ¶ 78)

For purposes of this standard, maintenance is described as the act of keeping fixed assets in acceptable condition. It includes preventive maintenance, normal repairs, replacement of parts and structural components, and other activities needed to preserve the asset so that it continues to provide acceptable services and achieves its expected life. Maintenance excludes activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, those originally intended.

# Proposed FASAB Definition of Maintenance (SFFAS 6, ¶ 78)

Maintenance and repairs are activities directed toward keeping fixed assets in an acceptable condition. Activities include preventive maintenance, replacement of parts, systems, or components, and other activities needed to preserve or maintain the asset. Maintenance and repairs exclude activities directed towards expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, its current use.

# Proposed FASAB Definition of Maintenance (SFFAS 6, ¶ 78)

~~For purposes of this standard, Maintenance and repairs is are activities directed toward ~~described as the act of~~ keeping fixed assets in an acceptable condition. Activities ~~It~~ includes preventive maintenance, ~~normal repairs,~~ replacement of parts, systems, or ~~and~~ structural components, and other activities needed to preserve or maintain the asset ~~so that it continues to provide acceptable services and achieves its expected life.~~ Maintenance and repairs excludes activities directed towards expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, its current use, ~~those originally intended.~~~~

Note: all other proposed changes would amend “and repair” after each instance of “maintenance”